Postal Regulatory Commission Submitted 11/5/2012 4:29:21 PM Filing ID: 85559 Accepted 11/5/2012

UNITED STATES OF AMERICA POSTAL REGULATORY COMMISSION WASHINGTON, DC 20268-0001

Competitive Product Prices Priority Mail Contracts 19 (MC2010-1) Negotiated Service Agreement Docket No. CP2010-1

PUBLIC REPRESENTATIVE COMMENTS ON POSTAL SERVICE NOTICE OF AMENDMENT TO PRIORITY MAIL CONTRACT 19

(November 5, 2012)

The Public Representative hereby provides comments pursuant to Order No. 1517. In that Order, the Commission established the above referenced docket to receive comments from interested persons, including the undersigned Public Representative, on a Postal Service Notice of a change in the terms of Priority Mail Contract 19. Attachment A to the Notice consists of a redacted copy of an amendment to Priority Mail Contract 19. The amendment, to Paragraph I.C. of the contract, requires the customer to manifest pieces eligible for customized pricing using a separate permit number and use Electronic Verification Systems (eVS) and Endicia for shipment of such pieces. Id. Attachment A at 1.

The Commission previously approved a Postal Service request to add Priority Mail Contract 19 to the competitive product list.³ That contract was set to expire on October 26, 2012. In Order No. 1515, the Commission approved a Postal Service motion requesting that the Commission grant a 30-day extension of Priority Mail

¹ PRC Order No. 1517, Notice and Order Concerning Amendment to Priority Mail Contract 19 Negotiated Service Agreement, October 25, 2012.

² Notice of United States Postal Service of Amendment to Priority Mail Contract 19, With Portions Filed Under Seal, October 23, 2012 (Notice).

³ PRC Order No. 323, Order Concerning Priority Mail Contact 19 Negotiated Service Agreement, Docket No. CP2010-1, October 26, 2009.

Docket No. C2010-1 PR Comments

Contract 19 to permit the Postal Service and the customer to reach an agreement on an amendment to the terms of the contract.⁴

The Postal Service maintains that the amendment will not affect the cost coverage of Priority Mail Contract 19. Notice at 1. By its terms, the amendment would take effect the day after the date on which the Commission completes its regulatory review of the Notice. Id.

COMMENTS

The Public Representative recommends Commission approval of the amendment to Priority Mail Contract 19. The contract amendment is uncontroversial in that it specifies use of a separate permit account and eVS and Endicia for mailpieces eligible for customized pricing under the contract. As indicated above, the Postal Service also affirms that the amendment will not affect the cost coverage of the contract. Consequently, the amendment would permit continuation of what appears be a financially remunerative agreement for both the Postal Service and the customer.

The Public Representative respectfully submits the foregoing comments for the Commission's consideration.

James F. Callow
Public Representative

901 New York Ave. NW Washington, DC 20268-0001 202-789-6839 callowjf@prc.gov

⁴ PRC Order No. 1515, Order Granting Motion for Temporary Relief, Docket No. CP2010-1, October 23, 2012.